

EAST KENTUCKY UTILITIES, INC.

PO BOX 408 PRESTONSBURG KY 41653

606-886-2431 fax 606-889-9196

2 / 11 / 2005

Ms. Elizabeth O'Donnell
Executive Director
KY Public Service Commission
P.O. BOX 615
FRANKFORT KY 40602

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FEB 14 2005

PUBLIC SERVICE
COMMISSION

RE: Case No. 2005-00032
East Kentucky Utilities, Inc.
(General Rates)

Dear Ms. O'Donnell:

We appreciate everything that the Public Service Commission has done in order to assist us with our financial situation. I commend Jeff Shaw, Dawn McGee and Andrea Edwards for their effort on our projects (GSR&D loan and the Rate Increase).

We agree with the findings and the recommendations of the Staff Report. As you can see an enormous financial burden was placed on EKV for not applying and obtaining a rate increase sooner. Stated on the companies previous and current income statements you can see our financial situation.

2000 – Net Loss	(\$ 4,641.00)	
2001 – Net Loss	(\$124,491.00)	
2002 – Net Loss	(\$ 50,366.00)	
2003 – Net Loss	(\$123,519.00)	
2004 – Net Loss	(\$174,732.00)	
	(\$477,749.00)	TOTAL LOSS (Past 5 years)

Again, we would like to thank you and your staff for everything. Should you have any questions concerning the enclosed, please contact me.

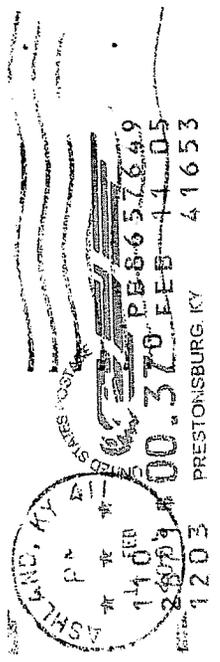
Sincerely,



David Layne
Gen. Manager

East Kentucky Utilities, Inc.

P. O. Box 408
Prestonsburg, Kentucky 41653



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